

## Message Text

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14

ACTION AGR-08

INFO OCT-01 ARA-06 ISO-00 EB-07 COME-00 STR-04 /026 W

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R 022359Z APR 76

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 4020

INFO AMEMBASSY BRASILIA

AMCONSUL SAO PAULO

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PASS USDA/FAS

EO 11652: NA

TAGS: EAGR, ETRD, MX

SUBJECT: SOYBEAN PURCHASES

REF FASTO 28

1. CONASUPO CONFIRMED TODAY THAT 150,000 TONS OF SOYBEANS HAVE BEEN PURCHASED FROM BRAZIL FOR JUNE-OCTOBER DELIVERY. THEY DENIED ANY TIE IN WITH PETROLEUM BUT DID SAY THAT THEY HOPED BRAZIL WILL TAKE SOME DRY BEANS. OTHER REASONS GIVEN FOR BRAZILIAN PURCHASE WERE GUARANTEE OF 19 PERCENT OIL CONTENT VERSUS NORMAL YIELD OF 17 PERCENT FORUS BEANS AND THEIR PREFERENCE FOR GOVERNMENT TOGOVERNMENT DEALS. ACTUALLY, A COOPERATIVE MADE THE SALE BUT MINAG COSIGNED FOR GOB. THEY ALSO STATED THEY WANTED TO TRY SOME BRAZILIAN BEANS TO SEE HOW THEY COMPARE WITH US. SALES PRICE WILL BE BASIS CHICAGO WITH "SLIGHT" PREMIUM. TRADE SOURCES INDICATE THAT CURRENT DELIVERY PRICE WOULD BE AROUND \$200 PER TON AT GULF PORTS.

2. BASED ON CURRENT CROP PROSPECTS FOR 1976 (DOWN 50 PERCENT FROM LAST SEASON DUE TO LOW RESERVOIR SUPPLIES) CONASUPO ANTICIPATES TOTAL SOYBEAN PURCHASES FROM JUNE THROUGH MAY 1977 AT 500,000 TONS. THEY MAY BUY ANOTHER 100,000 TONS FOR SEPTEMBER-OCTOBER DELIVERY BEFORE THE NEW CROP COMES IN BUT WOULD PROBABLY LEAVE THE REMAINDER FOR THE NEXT ADMINISTRATION

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WHICH TAKES OFFICE DEC. 1. WHETHER THEY BUY REMAINDER FROM US

OR BRAZIL LIKELY TO DEPEND UPON EXPERIENCE WITH SHIPMENTS FROM  
BRAZIL AND COMPARATIVE PRICES. CCC CREDIT MIGHT BE HELPFUL  
IN TIEING FURTHER PURCHASES TO US ALTHOUGH THEY DID NOT PURSUE  
THIS QUESTION AT MEETING WITH AGATT TODAY.

3. FURTHER CORN PURCHASES THIS MARKETING YEAR PROJECTED AT  
500,000 TONS. SIZEABLE QUANTITIES HAVE BEEN BOUGHT FROM AFRICA  
DURING PAST SIX MONTHS, BUT RECENT TENDERS HAVE BEEN ALL FROM  
US AND THERE ARE INDICATIONS THAT SUPPLIES FROM MOZAMBIQUE AND  
KENYA MAY BE DRYING UP.  
THOMPSON

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SALES, PETROLEUM, SOYBEANS, BARTER TRADE, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 APR 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
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**Disposition Approved on Date:**  
**Disposition Authority:** buchant0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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